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California Public Utilities Commission
California Energy Commission
c/o: Alice Glasner

Subject: Disadvantaged Communities Advisory Group Joint Staff Draft Proposal

On August 7, 2017, the California Public Utilities Commission (“CPUC”) and California Energy Commission (“CEC”) informed stakeholders of a joint staff proposal for a new Disadvantaged Communities Advisory Group (“DCAG”) and solicited feedback from the public. The joint staff proposal asked stakeholders to answer eleven questions regarding the creation, implementation, and management of the advisory group. The Utility Reform Network (“TURN”) appreciates the opportunity to comment on the joint staff proposal and offers these comments and recommendations in response to the proposal.

Questions for Comments and TURN Responses

1. In what ways should the Straw Proposal be modified to better align with the mandates of SB 350, including PU Code 400, PU Code 454.52(a)(1), PU Code 740.8, and PU Code 740.12(a)(1) and other mandates related to disadvantaged communities?

Guiding Principles: TURN recommends that the Guiding Principles for the DCAG be modified to include the following principle: Reduce and limit utility service disconnections. Service disconnections continue to increase across all utility service territories, in 2016 PG&E, SCE, SDG&E and SoCalGas carried out over

868,000 shut offs of residential customers in California.¹ Utility disconnections are a significant health and safety concern and create unsafe and unhealthy living conditions.

Health risks associated with unaffordable energy costs include the tradeoffs that families face between paying energy bills and buying food which result in nutritional risks to children.² Additional health risks result from families using unsafe heating sources when disconnected, including burns and carbon monoxide poisoning. High and unaffordable energy bills can also lead to families experiencing other health risks because they cannot afford adequate housing, these risks include: exposure to pests, water leaks, mold, peeling lead paint, and resulting health hazards such as asthma, injuries, and lead poisoning.³ This is a problem that the DCAG should remain focused upon as it advises the CPUC and CEC on programs and policies that will have an impact on utility bills. While the principle of “maintaining the affordability of electric and gas service” overlaps the principle of reducing or limiting service disconnections, it is important to highlight the direct result of unaffordable utility bills as part of the DCAG’s work.

Workshop: TURN recommends that staff proposal be modified to include a requirement that the DCAG hold an annual, public forum or workshop to discuss how CPUC and CEC programs impact disadvantaged communities. This would allow a wider range of stakeholders to provide input and insight to the DCAG. Remote access and participation to the workshop should be provided.

Meetings: TURN recommends that DCAG meetings be held in different locations throughout the state and that DCAG members be reimbursed for the costs of travel to meetings. This arrangement would mirror the practice of the Low Income Oversight Board, which currently reimburses travel expenses for its members. TURN also recommends that remote attendance (via Skype, teleconferencing, etc.) be an option for DCAG members so travel limitations are not a barrier to participation.

2. Are there other ways in which the Disadvantaged Communities Advisory Group can provide advice to CPUC and CEC (e.g., informal written comments to the CPUC and CEC, providing reports to the CPUC and CEC, etc.)?

In addition to the annual written report required by the staff proposal, TURN recommends that the DCAG be allowed to provide feedback and ideas through informal comments to allow for more frequent input. These informal comments could be drafted jointly, but DCAG members should be allowed to provide individual comments on issues if group consensus cannot be reached. For both the annual report and comments, TURN recommends that the CPUC and CEC provide staff assistance to the DCAG to draft the comments.

3. Are there specific programs and policy areas related to SB 350 which the Disadvantaged Communities Advisory Group should focus on? If so, please name.
4. In light of Disadvantaged Communities Advisory Group’s responsibility to review SB 350 programs, are there additional areas of knowledge or expertise that should be sought in candidates beyond those described on page three?

¹ See Attachment 1, TURN Energy Insecurity Fact Sheet, p. 1.

² See Attachment 1, TURN Energy Insecurity Fact, p. 2.

³ See Attachment 1, TURN Energy Insecurity Fact, p. 3.

Knowledge and expertise: The criteria for selection should affirmatively state that a member of the DCAG (or that person's organization) must have knowledge and expertise with working with the communities represented by the DCAG.

5. The Advisory Group may review technical information regarding proceedings and programs related to integrated resource planning, transportation electrification, and other clean energy technologies. Should prospective members be recruited who have an interest or background/experience in one or more of the following subject areas? Explain your response.
 - a. Clean energy technologies, such as distributed generation, energy efficiency, renewables, etc.
 - b. Transportation electrification;
 - c. Electric or Natural Gas resource planning;
 - d. Local economics (including job and training potential) with respect to clean energy development;
 - e. Air quality and related health impacts; or
 - f. Greenhouse gas and/or air pollutant controls from a technical or policy perspective.

In an ideal world, the DCAG would have members who have knowledge and expertise in all these areas in addition to having direct experience with disadvantaged communities. In reality, it may be difficult to find members with knowledge in all these areas who also meet the other selection criteria. The CEC and CPUC should seek members familiar with these subject areas or with expertise in one of these subject areas. TURN recommends that CEC and CPUC staff with expertise in these areas be made available to bring in to DCAG meetings as needed to assist the DCAG.

6. Are there any other subject area backgrounds that the Commissions should seek out in prospective applicants?

In addition to the list above, TURN recommends that the Commission also seek prospective applicants with expertise in utility affordability and its impacts on disadvantaged communities. Due to the nature of utility program cost recovery and the fact that affordability is a focus of the DCAG, it is essential that at least some of the DCAG members are familiar with utility ratemaking and understand that program costs are recovered through utility rates, generally from all ratepayers.

7. Should the Advisory Group charter assign specific roles to the eleven member positions based on policy, issue or geographic areas, such as "air quality/health impacts designee" or "transportation electrification designee"?

TURN believes these specific designations could be useful to leverage the experience of various members. TURN cautions the CEC and CPUC from creating roles that are too rigid, however. Each DCAG member should be allowed to provide input on all issue areas.

8. Should any leadership positions be designated in the Group's charter, other than Chair, and Secretary? Should the officers' roles be assigned to particular specialties or represented particular communities, rather than be open to any interested members? Are there additional responsibilities desired for each position?

TURN recommends that the DCAG be allowed to designate Co-Chairs to split responsibilities. Secretarial duties (taking and circulating meeting minutes, etc.) should be maintained by CEC or CPUC staff.

9. If the CPUC and CEC cannot find willing candidates with the desired qualifications, how should they proceed to establish the Advisory Group?
10. How can the work of the Disadvantaged Communities Advisory Group and the Low Income Oversight Board (LIOB) be best coordinated?

It is important for the DCAG and LIOB to coordinate their efforts to best assist low-income ratepayers and disadvantaged communities. TURN recommends that the DCAG and LIOB meet at least once per year to discuss how programs and the cost of programs are affecting affordability, disconnections, CARE enrollment, and CARE rates.

11. How can the work of the Disadvantaged Communities Advisory Group and the Air Resources Board's Environmental Justice Advisory Committee be best coordinated?

In addition to the utility ratepayer funded disadvantaged community programs contemplated in SB 350, various state agencies conduct programs designed for or targeted to disadvantaged communities. In order to ensure state and ratepayer funds are used as effectively and efficiently as possible, it is essential that state and utility run disadvantaged community programs be coordinated and complementary whenever possible. The DCAG and Air Resources Board Environmental Justice Advisory Committee should convene (in person or via teleconference) once a year to discuss the programs each respective board is involved with and to brainstorm ways to better coordinate initiatives and leverage funding. More frequent communication may be necessary depending on the issues and topics addressed by the DCAG.

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Respectfully submitted,

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